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SEP 12 2005

PATENT  
ATTY. DOCKET NO. SONY/95

## IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant : Siegel et al. Art Unit: 2166  
Serial No. : 09/871,716 Examiner: R.E. Rhode, Jr.  
Filed : June 1, 2001  
For : Facilitating Offline and Online Sales

Mail Stop Appeal Brief-Patents  
Commissioner of Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Via Facsimile

TRANSMITTAL OF APPEAL BRIEF

1. Transmitted herewith is the APPEAL BRIEF in this application, with respect to the Notice of Appeal filed on May 10, 2005.

2. STATUS OF APPLICANT

This application is on behalf of:

- ☒ Other than a Small Entity  
☐ Small Entity status of this application under 37 CFR 1.9 and 1.27 has been established by a verified statement previously submitted.  
☐ Enclosed is a verified statement to establish Small Entity status


3. FEE FOR FILING APPEAL BRIEF

Pursuant to 37 CFR 1.17(f), the fee for filing the Appeal Brief is:

- ☐ Small Entity (\$250.00)  
☒ Large Entity (\$500.00)

Appeal Brief Fee Due \$ 500.00.

I hereby certify that this correspondence is being sent via facsimile (571-273-8300) to Examiner R.E. Rhode, Jr. in Art Unit 2166 at U.S. Patent Office, P.O. Box 1450, Alexandria, VA 22313-1450: September 12, 2005

  
Thomas W. Humphrey  
Reg. No. 34,353

SEP 12 2005

## 4. EXTENSION OF TERM

The proceedings herein are for a patent application and the provisions of 37 CFR 1.136 apply. Complete (a) or (b) as applicable.

- (a) X Applicant petitions for an extension of time under 37 CFR 1.136 for the total number of months checked below:

Extension (months)		Fee for other than small entity	Fee for small entity
<u>    </u>	one month	\$ 120.00	\$ 60.00
<u>  X  </u>	two months	\$ 450.00	\$225.00
<u>    </u>	three months	\$1020.00	\$510.00
<u>    </u>	four months	\$1590.00	\$795.00
<u>    </u>	five months	\$2160.00	\$1080.00

Extension fee due with this request \$ 450.00.

If an additional extension of time is required, please consider this a petition therefor. (Check and complete the next item, if applicable)

     An extension for      months has already been secured and the fee paid thereof of \$      is deducted from the total fee due for the total months of extension now requested. Extension fee due with this request \$     .

OR

- (b)      Applicant believes that no extension of term is required. However, this conditional petition is being made to provide for the possibility that applicant has inadvertently overlooked the need for a petition for extension of time.

## 5. TOTAL FEE DUE

The total Fee due is:

Appeal Brief Fee of \$ 500.00.

Extension Fee (if any) \$ 450.00.

TOTAL FEE DUE \$ 500.00 and \$ 450.00.

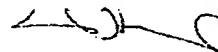
## 6. FEE PAYMENT AND FEE DEFICIENCY

     Attached are checks in the amounts of \$ 500.00 and \$ 450.00.

  X   Please charge my Deposit Account No. 23-3000 in the amount of \$ 500.00 and \$ 450.00.

  X   If any additional fee for claims or extension of time is required, charge Account No. 23-3000.

Respectfully submitted,



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SEP 12 2005

PATENT  
ATTY. DOCKET NO. SONY/95IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

Ex parte Siegel et al.

Appeal No. \_\_\_\_\_

Serial No.:	09/871,716
Filed:	June 1, 2001
Group Art Unit:	2166
Examiner:	R.E. Rhode, Jr.
Applicant:	Siegel et al.
Title:	FACILITATING OFFLINE AND ONLINE SALES

Cincinnati, Ohio 45202

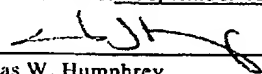
September 12, 2005  
*Via Facsimile*

## APPEAL BRIEF

This brief is in furtherance of Applicant's Notice of Appeal filed May 10, 2005, appealing the decision of the Examiner dated January 26, 2005, finally rejecting claims 1-18. A copy of the claims appears in the Appendix to this brief. This brief is transmitted via facsimile.

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I hereby certify that this correspondence is being sent via facsimile (571-273-8300) to Examiner R.E. Rhode, Jr. in Art Unit 2166 at U.S. Patent Office, P.O. Box 1450, Alexandria, VA 22313-1450: September 12, 2005



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**Real Party In Interest**

The real party in interest in this appeal is Sony Corporation and Sony Electronics Inc., a corporation of Japan and Delaware having a place of business at 6-7-35 Kitashinagawa, Shinagawa-ku 141. Tokyo, Japan and 1 Sony Drive, Park Ridge, NJ 07656, respectively.

**Related Appeals and Interferences**

There are no such appeals or interferences.

**Status of Claims**

Claims 1-18 were originally filed with the application. Applicant's Amendment of December 9, 2004, amended claims 1, 9, 10, 13, 14, 15 and 16.

Claims 1-18 presently stand rejected.

Status of Amendments

On March 28, 2005, Applicant submitted an amendment after the Examiner's Final Action, proposing to amend claims 3 and 9 into independent form and to conform claims 1 and 6-8 to be dependent claims depending properly from the independent claim 3. The Examiner's Advisory Action of April 21, 2005 refused entry of this amendment based on the assertion that the claims as amended would require "additional consideration and search".

Applicant cannot see how the amendment submitted after final would raise new issues or require a new search, as the subject matter recited by the claims has not been altered but only reorganized so that previously dependent claims are now independent. In view of this, Applicant is re-presenting herewith the amendment previously submitted, this time in the form of a proposed amendment for appeal.

The claims set forth in the appendix to this brief are as those claims appear prior to the proposed amendment submitted herewith. The proposed amendment for appeal includes the full text of all claims as they are proposed to be amended.



**Summary of Invention**

The present invention relates to methods for facilitating transactions made by customers, using a data storage device possessed by the customer, such as a smart card, memory card, or similar device.

**Product Registration**

Specifically, the first aspect of the invention as recited in claim 3, contemplates a data storage device that stores a customer profile having information that, in conjunction with a transaction with a merchant, is gathered and forwarded to a product manufacturer for product registration.

The advantages of this inventive concept are readily apparent. At the present time, consumers frequently do not provide product registration information to manufacturers, because the process for doing so is tedious, involving the completion of forms that often must be returned to the manufacturer through the mail. Even in those instances where registration can be completed on-line, there remains the tedious process of filling out on-line forms with consumer information.

Product registration information is of use to manufacturers because it permits analysis of demographic trends and product loyalty of consumers. It also allows manufacturers to notify consumers of product recall or safety information, and permits manufacturers to direct market to consumers, e.g. upgrades and products related to the product the consumer has registered. Product registration is also beneficial to consumers that wish to receive safety and recall information, and learn about related products or upgrades. Unfortunately, the prior

cumbersome processes for product registration, and the resulting lack of such registrations, have precluded these benefits in many cases.

#### **Synchronization of Transaction Data**

A second, related aspect of the invention recited in claim 9 relates to the management of transaction records on consumer data storage devices. In accordance with this aspect, a consumer data storage device of the type described above, is presented as part of a transaction, and transaction data about that transaction is stored on the data storage device. The transaction data may be used in management of a loyalty program, product registration, or myriad other purposes, and in accordance with the invention recited in claim 9, at least part of the customer profile and transaction records is maintained remotely from the data storage device, so that data can be used as a backup and for verification of information on the data storage device.

While remote, duplicative storage of customer profile and transaction data is advantageous, it raises several practical problems. For example, transactions may be performed at locations that cannot communicate with the remote storage, or cannot interact with a data storage device. Or devices or communications links may be down at the time for a transaction. Any of these events will cause the data storage device and remote storage to have different information, which is debilitating to the purposes of those devices.

Accordingly, as recited in claim 9, the invention features a process of synchronizing the remote storage and customer data storage device when there is available communication between them, such as during a transaction, to cause each to reflect the transaction records of the other.

### Transaction Limitations

A third aspect of the invention, recited in claims 10-18, relates to the use of a customer data storage device in the implementation of transaction limitations. Specifically, the data storage device is provided to a "subordinate person", and has a customer profile and financial credit identifier. The data storage device communicates a transaction limitation to a merchant when the data storage device is used in a purchase. Thus, for example, the data storage device may permit the purchase of food but not alcohol, or may permit the purchase of textbooks but not magazines, etc.

While many persons have attempted to implement purchase controls, e.g. that may be used by parents while their children are at school or away at college, the approach has always been to implement a remote database that identifies the controls. The art identified during examination does not suggest that such controls be implemented by including them in a customer data storage device that is physically possessed by a "subordinate person". This inventive approach has a substantial advantage, in that it uses one device to directly associate (a.) the purchaser, (b.) the "credit identifier" used with a purchase, and (c.) the transaction limitation. As such, the invention need not rely upon the availability of a communication system or remote data to identify and implement transaction limitations, and is not susceptible to communications problems or server unavailability.

**Grounds of Rejection**

Claims 1-7 stand rejected under 35 U.S.C. 102(e), asserted to be anticipated by Chen (U.S. Patent 6,549,912). Claim 8 stands rejected under 35 U.S.C. 103(a), asserted to be obvious in light of Chen combined with Burge (U.S. Patent 6,014,638). Claim 9 stands rejected under 35 U.S.C. 103(a), asserted to be obvious in light of Chen combined with Kolls (U.S. Patent 6,609,103). Claims 10-12 and 17 stand rejected under 35 U.S.C. 103(a), asserted to be an obvious variation of Armetta (U.S. Patent 5,864,830). Claims 13-16 stand rejected under 35 U.S.C. 103(a), asserted to be obvious in light of Armetta combined with Solokl (U.S. Patent 6,173,269). Finally, claim 18 stands rejected under 35 U.S.C. 103(a), asserted to be obvious in light of Armetta combined with Chen.

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Argument**Product Registration**

The Examiner's Final Rejection of claims 1-9 is based on Chen (No. 6,549,912), either taken alone or in various combinations with Burge (No. 6,014,638) and Kolls (No. 6,609,103). Applicant disagrees with the rejection of claim 3 and will argue for the patentability of this claim here. (Claim 3 is proposed to be rewritten in independent form so that it may be allowed without formal objection.)

None of the references cited show or suggest the collection or delivery of product registration information to a product source or manufacturer, as is recited in claim 3.

The Examiner's Final Action cites to col. 9, lines 4-27 of Chen in rejecting claim 3; however, this section of Chen does not describe the collection or delivery of product registration information. Rather Chen discloses a loyalty system in which data is stored on a smart card for merchant/retailer loyalty purposes, and the quoted section of Chen simply recites the various kinds of loyalty information that may be stored on a smart card in accordance with his system. Specifically, the smart card may have personal identification for the customer, records on buying patterns, and a count of frequent-flyer or frequent-buyer points earned, and awards accumulated. None of this suggests product registration; indeed, there is nothing suggesting interaction with a manufacturer at all, but only interaction with a retailer.

Claim 3 as proposed to be amended, recites the method step of "electronically communicating the customer profile from the customer data storage device and product information to the source of the product for product registration". In unamended form, the

claim recites “electronically communicating customer and product identification for product registration”. Applicant respectfully submits that Chen does not accomplish such a step. Chen never mentions product registration and in fact describes examples in which there would not be product registration; his smart card is used in managing points for purchases of services, such as air travel and hotel room nights, which are not goods that involve product registration. Chen thus suggests nothing relative to the use of any system for facilitating product registration.

The Examiner cites the Burge prior art for generally showing that it is known to track customer preferences; the Burge patent is directed to customization of displays made to a user while on-line shopping and the like. Burge clearly fails to disclose the basic concept of, as part of a transaction, communicating product registration information from a customer data storage device to a product source / manufacturer, or even more general concepts relating to customer data storage devices. Thus, Applicant submits that Burge does not supply the disclosure missing from Chen, and claim 3 and each of the claims that depend therefrom are allowable. (If Applicant’s proposed amendment is entered, each of claims 1-2 and 4-8 depend from claim 3.)

#### **Synchronization of Transaction Data**

Applicant has proposed to rewrite claim 9 in independent form, and submits that claim 9 is also allowable over the Chen and Kolls prior art identified by the Examiner as the basis for rejection. Claim 9 recites customer data storage device that stores a “customer profile” and a “record of [a] transaction”, and includes a method step of “remotely maintaining at least a portion of the customer profile and a database of transaction records associated with the

customer profile". Claim 9 further recites "synchronizing the database of transaction records with the customer data storage device in response to subsequent availability of electronic communication between the database and the storage device after an intervening transaction wherein a transaction record was stored on only one of the database and the storage device".

The Examiner's rejection of claim 9 is based upon Chen combined with the Kolls prior art. Chen, as the Examiner has noted, never deals with maintaining separate, potentially unsynchronized copies of customer data. The Examiner believes that Kolls provides a motivation to modify Chen to include such a function. However, Kolls in no way relates to systems in which customer data is carried by a customer for exchange as part of electronic commerce. Kolls relates to a public access terminal at which consumers may perform electronic commerce transactions. There is no mention of any use of media cards or other customer data storage by a consumer to exchange data during such electronic commerce. Indeed, the text the Examiner identified in Kolls at col. 3, lines 57-60, is from the background, not the description of the invention, and that text merely states in a generic way, the "need to synchronize portable and fixed data resources..." This oblique reference is hardly suggestive of any particular modification of Kolls or any other document, much less a specific alteration of Chen that the Examiner has theorized.

The only time the word "synchronization" appears in the description of Kolls, is with reference to the potential that consumers might use a terminal described by Kolls, for Palm Pilot synchronization. However, there is no indication that the Palm Pilot or other device used in such "synchronizing" is participating in transactions. Nor, in the claim 9 language, is there suggestion that "as part of a transaction", a customer is "physically presenting" a Palm

Pilot or anything else "at a merchant location", much less "electronically communicating [a] customer profile ... in conjunction with the transaction".

Applicant thus submits that claim 9 is allowable over the prior art cited.

#### **Transaction Limitations**

The Examiner's Final Rejection of claims 10-18 is based on Armetta (No. 5,864,830), either taken alone or in various combinations with Solokl (No. 6,173,269) and Chen. Applicant respectfully disagrees with this rejection.

Claim 10 recites a transaction control concept, implemented using a customer data storage device. Specifically, a "subordinate person" having "physical possession of a customer data storage device" that stores "a controlled customer profile" associated with a "financial credit identifier". The transaction control comes from "communicating a transaction limitation from the customer data storage device to the merchant; and preventing authorization of [a] purchase transaction based on the transaction limitation." This is a particularly useful concept, in that the data storage device can itself provide a control over transactions, e.g., it can prevent particular purchases, while at the same time serving as a repository for customer data. The Board should particularly note that the claim language recites a transaction limitation being communicated "from the customer data storage device", i.e., the limitation is in the electronic data that the consumer carries.

The Armetta patent relied on by the Examiner fails to meet this key limitation. Armetta shows the use of a Visa/Mastercard or Visa/Mastercard-like network to clear transactions, specifically, there is a database available through the network that makes financial authorizations for purchases. That database also validates the type of purchase, and



blocks disallowed purchases. Thus, Armetta is in no way directed to the use of a data storage device that carries a transaction limitation, because Armetta takes the approach of storing transaction limitations centrally, rather than on portable data carriers.

The Examiner posits that it would be obvious to modify Armetta to use a portable data carrier to store data. Applicant strongly disagrees. In the background of Armetta, col. 2, lines 50-67, Armetta recites various disadvantages of "stored value" cards, such as "stored value cards require special readers that will not work with debit or credit cards", "there is no common industry standard for stored value cards", "stored value cards lack conventional credit cards' protection against theft or loss", and finally, "stored value cards do not enjoy other advantages of credit cards, and thus cannot be used for security deposit purposes, or for ordering merchandise or services by telephone, mail, or over Internet." These statements are backdrop to Armetta's description of the Armetta invention, which does not use stored value cards, but rather uses Visa/Mastercard centralized network techniques. Armetta thus clearly advises against the use of stored value cards, and thus the modification the Examiner proposes would be antithetical to what Armetta teaches.

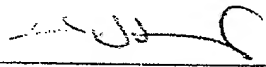
Applicant would further note that a key purpose of Armetta, stated in the abstract of the patent, is to permit the main cardholder to "remotely selectively increase the available spending capacity of the one or more satellite cards by deducting the desired additional spending capacity of each satellite card from the available balance of the host credit card as a purchase against the host card account". This could not be done "remotely" if a "smart card" were used to store value, as that would require physical presence of the card for the reprogramming. Thus, it would be destructive to this key feature of Armetta to substitute

stored value cards, as the Examiner proposes. Applicant thus submits that claim 10, and the claims which depend therefrom, are allowable over Armetta.

The Examiner has cited the Solokl patent with respect to some dependent claims of claim 10, so a few remarks will be directed at that patent as well. Solokl is, like Armetta, also directed to methods of using a centralized network. Solokl focuses on how to provide a payment instrument to minors, and describes a debit card type instrument, used for this purpose. That is, in the Solokl system a central network authorizes transactions at the time of purchase. There is, again, no mention of a consumer data storage device or any device in the possession of the consumer that defines transaction limitations. Thus, Applicant submits that Solokl does not disclose the features absent from Armetta, namely the use of a consumer data storage device with a transaction limitation.

Accordingly, Applicant submits that the Examiner's rejection is in error and a reversal of the rejection and allowance of the claims is therefore requested.

Respectfully submitted,  
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### Claim Appendix

1. (previously presented) A method of facilitating a transaction between a merchant and a customer with a customer data storage device, the method comprising:

electronically storing a customer profile on the customer data storage device;

as part of a transaction, physically presenting the customer data storage device at a merchant location;

electronically communicating the customer profile from the customer data storage device to the merchant in conjunction with the transaction; and

electronically storing a record of the transaction on the customer data storage device.

2. (original) The method of claim 1, wherein the transaction comprises a retail purchase of a product, the method further comprising:

electronically communicating data regarding the transaction to a source of the product.

3. (original) The method of claim 2, wherein electronically communicating data regarding the transaction to the source of the product comprises electronically communicating customer and product identification for product registration.

4. (original) The method of claim 1, wherein the customer data storage device comprises a card bearing a magnetic recording medium, and wherein electronically storing to the customer data storage device comprises writing digital data to the magnetic storage medium.
5. (original) The method of claim 1, wherein the customer data storage device comprises a portable electronic device having memory and a communication link, and wherein electronically storing to the customer data storage device comprises writing digital data to the memory via the communication link.
6. (original) The method of claim 1, wherein electronically storing a customer profile further comprises storing at least one of a grouping consisting of a name, a residential address, and an identification number.
7. (original) The method of claim 1, further comprising:  
    reading the transaction record on the customer data storage device; and  
    reporting the transaction record.
8. (original) The method of claim 7, wherein the customer data storage device includes a plurality of transaction records, the method further comprising:  
    analyzing the plurality of transaction records for a pattern of customer preferences; and

recommending a future transaction based on the pattern of customer preferences.

9. (previously presented) The method of claim 1, further comprising:

remotely maintaining at least a portion of the customer profile and a database of transaction records associated with the customer profile on the customer data storage device; and

synchronizing the database of transaction records with the customer data storage device in response to subsequent availability of electronic communication between the database and the storage device after an intervening transaction wherein a transaction record was stored on only one of the database and the storage device.

10. (previously presented) A method of affecting purchase transactions of a subordinate person with a customer data storage device, the method comprising:

providing the subordinate person with physical possession of a customer data storage device;

storing a controlled customer profile on the customer data storage device;

associating a financial credit identifier with the controlled customer profile;

electronically communicating a transaction limitation from the customer data storage device to the merchant; and